



State of Utah

DEPARTMENT OF NATURAL RESOURCES
DIVISION OF OIL, GAS AND MINING

Norman H. Bangerter
Governor

Dee C. Hansen
Executive Director

Dianne R. Nielson, Ph.D.
Division Director

355 West North Temple
3 Triad Center, Suite 350
Salt Lake City, Utah 84180-1203
801-538-5340

December 21, 1992

Mr. Max J. Reynolds
Vice President, Operations
Great Salt Lake Minerals & Chemicals Corporation
P. O. Box 1190
Ogden, Utah 84402

Dear Mr. Reynolds:

Re: Reclamation Contract, Great Salt Lake Minerals & Chemicals Corporation,
Little Mountain Plant, M/057/002, Weber County, Utah

The Division received your surety amendment on September 10, 1992, which increased the existing surety to the amount of \$233,800. This increase was to account for escalation and to bring the surety up to date as recommended by the Division.

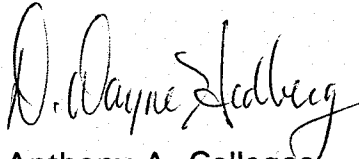
In order to tie this amended surety to the approved mine plan a new reclamation contract is required. The Division has taken the liberty of partially completing a new Reclamation Contract based on information in the previously approved contract. A copy of the partially completed form is enclosed for your review. The Reclamation Contract form has been revised since your September 1991 submission. For that reason, the revised portions of the form have been highlighted in orange, and the revised information entered by the Division is highlighted in yellow. Please review this information and notify the Division of your acceptance or corrections. If the information is correct, please complete the additional signature pages enclosed (pages 5 and 9) and return them to the Division as soon as your schedule allows.

Because of the nature of this surety adjustment, the Division will not be presenting this matter before the Board at a monthly briefing session for approval. After acceptance and signature of the new Reclamation Contract by the Division and Board, a copy of the executed contract will be sent to you. The Division is currently working on streamlining the procedures and forms for revising/adjusting reclamation sureties in cases such as this.

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Mr. Max Reynolds
M/057/002
December 21, 1992

Thank you for your cooperation in this matter. If you have any questions please contact me or Wayne Hedberg at the Division offices.

Sincerely,


for Anthony A. Gallegos
Reclamation Engineer

jb
Enclosure
M057002

STATE OF UTAH
DEPARTMENT OF NATURAL RESOURCES
DIVISION of OIL, GAS and MINING
355 West North Temple
3 Triad Center, Suite 350
Salt Lake City, Utah 84180-1203
(801) 538-5340

RECLAMATION CONTRACT
---ooOoo---

For the purpose of this RECLAMATION CONTRACT the terms below are defined as follows:

"NOTICE OF INTENTION" (NOI): (File No.) (Mineral Mined)	<u>M/057/002</u> <u>Evaporites (Potash, Sodium Sulfate, Sodium Chloride, Magnesium Chloride)</u>
"MINE LOCATION": (Name of Mine) (Description)	<u>Little Mountain Plant</u> <u>19,500 acres solar ponds + 17,000 acres</u> <u>new ponds, processing plants, gravel pits</u> <u>for dike construction and maintenance.</u>
"DISTURBED AREA": (Disturbed Acres) (Legal Description)	<u>140</u> <u>(refer to Attachment "A")</u>
"OPERATOR": (Company or Name) (Address) (Phone)	<u>Great Salt Lake Minerals & Chemicals Corp.</u> <u>765 North 10500 West</u> <u>Ogden, Utah 84402</u> <u>(801) 521-3556</u>

"OPERATOR'S REGISTERED AGENT":

(Name)
(Address)

Max J. Reynolds
Vice President - Operations
765 North 10500 West
Ogden, Utah 84402
(801) 521-3556

(Phone)

"OPERATOR'S OFFICER(S)":

William S. Holt, President
Max J. Reynolds, VP Operations
Kenneth L. Warnick, Secretary/Treasurer

"SURETY":

(Form of Surety - Exhibit B)

Letter of credit

"SURETY COMPANY":

(Name, Policy or Acct. No.)

Chase Manhattan Bank, N.A.

"SURETY AMOUNT":

(Escalated Dollars)

\$233,800

"ESCALATION YEAR":

1993 Dollars

"STATE":

State of Utah

"DIVISION":

Division of Oil, Gas and Mining

"BOARD":

Board of Oil, Gas and Mining

EXHIBITS:

A "DISTURBED AREA":

Revision Dates:

None

B "SURETY":

8/31/90 Amended 9/91 Escalated 11/92

This Reclamation Contract (hereinafter referred to as "Contract") is entered into between Great Salt Lake Minerals the "Operator" and the Utah State Board of Oil, Gas and Mining ("Board").

WHEREAS, Operator desires to conduct mining operations under Notice of Intention (NOI) File No. M/057/002 which has been approved by the Utah State Division of Oil, Gas and Mining "Division" under the Utah Mined Land Reclamation Act, Sections 40-8-1 et seq., Utah Code Annotated, (1953, as amended) (hereinafter referred to as "Act") and implementing rules; and

WHEREAS, Operator is obligated to reclaim that area described as the Disturbed Area as set forth and in accordance with Operator's approved Reclamation Plan, and Operator is obligated to provide surety in form and amount approved by the Board, to assure reclamation of the Disturbed Area.

NOW, THEREFORE, the Board and the Operator agree as follows:

1. Operator agrees to conduct reclamation of the Disturbed Area in accordance with the Act and implementing regulations, the Notice of Intention, and the Reclamation Plan. The Notice of Intention as amended, and the Reclamation Plan, as amended, are incorporated by this reference and made a part hereof.
2. Concurrent with the execution hereof, Operator has provided surety to assure that reclamation is conducted, in form and amount acceptable to the Board. Such surety as evidenced by the Surety Contract is in the form of the surety attached hereto as Exhibit B and made a part hereof. The Surety Contract shall remain in full force and effect according to its terms unless modified by the Board in writing. If the Surety Contract expressly provides for cancellation, then, within 60 days following the Division's receipt of notice that the Surety Company intends to cancel the Surety Contract, the Operator shall provide a replacement Surety Contract in a form and amount reasonably acceptable to the Board. If the Operator fails to provide an acceptable replacement Surety Contract, the Division may order the Operator to cease further mining activities and to begin immediate reclamation of the Disturbed Area.
3. Operator agrees to pay legally determined public liability and property damage claims resulting from mining to the extent provided in Section 40-8-7(1)(e) of the Act.
4. Operator agrees to perform all duties and fulfill all reclamation requirements applicable to the mine as required by the Act and implementing rules, the Notice of Intention, as amended and the Reclamation Plan, as amended.
5. The Operator's liability under this Contract shall continue in full force and effect until the Division certifies that the Operator has reclaimed the Disturbed Area in accordance with the Act and implementing rules, the Notice of Intention, as amended and the Reclamation Plan, as amended.
6. If reclamation of discrete sections of the Disturbed Area is completed to the satisfaction of the Division, and the Division finds that such sections are severable from the remainder of the Disturbed Area, Operator may request the Division to certify that Operator has reclaimed such discrete sections of the Disturbed Area in accordance with the Act and Implementing rules, the Notice of Intention, as amended and the Reclamation Plan, as amended. If the Division

makes such certification, Operator may make request to the (Board) that the aggregate face amount of the Surety Contract provided pursuant to paragraph 2 be reduced to an amount necessary to provide for completion of the remaining reclamation. The (Board) shall hear Operator's request for such reduction in accordance with the Board's Procedural Rules concerning requests for Agency Action.

7. Operator agrees to indemnify and hold harmless the State, Board and the Division from any claim, demand, liability, cost, charge, suit, or obligation of whatsoever nature arising from the failure of Operator or Operator's agents and employees, or contractors to comply with this Contract.
8. Operator may, at any time, submit a request to the Board to substitute surety. The Board, in its sole judgment and discretion, may approve such substitution if the substitute surety meets the requirements of the Act and the implementing rules.
9. This Contract shall be governed and construed in accordance with the laws of the State of Utah.
10. If Operator shall default in the performance of its obligations hereunder, Operator agrees to pay all costs and expenses, including reasonable attorney's fees and costs incurred by the Division and/or the Board in the enforcement of this Contract.
11. Any breach that the Division finds to be material of the provisions of this Contract by Operator may, at the discretion of the Division, result in an order to cease mining operations. After opportunity for notice and hearing, the Division, or Board, as appropriate, may revoke the Notice of Intention, order reclamation, or order forfeiture of the Surety Contract, or take such other action as is authorized by law.
12. In the event of forfeiture of the Surety Contract, Operator shall be liable for any additional costs in excess of the surety amount which are required to comply with this Contract. Any excess monies resulting from forfeiture of the Surety Contract, upon completion of reclamation and compliance with this Contract, shall be returned to the rightful claimant.
13. This Contract including the Notice of Intention, as amended and the Reclamation Plan, as amended, represents the entire agreement of the parties involved, and any modification must be approved in writing by the parties involved.

14. Each signatory below represents that he/she is authorized to execute this Contract on behalf of the named party.

Authorized Officer (Typed or Printed)

Authorized Officer's Signature

Date

SO AGREED this _____ day of _____, 19____.

AND APPROVED AS TO FORM AND AMOUNT OF SURETY:

BY

James W. Carter, Chairman
Utah State Board of Oil, Gas and Mining

DIVISION OF OIL, GAS AND MINING:

By _____
Dianne R. Nielson, Director

Date

STATE OF _____)
_____) ss:
COUNTY OF _____)

On the _____ day of _____, 19 _____, personally
appeared before me, who being duly sworn did say that he/she, the said
_____ is the Director of the Division of
Oil, Gas and Mining, Department of Natural Resources, State of Utah, and he/she
duly acknowledge to me that he/she executed the foregoing document by authority
of law on behalf of the State of Utah.

Notary Public
Residing at: _____

My Commission Expires:

OPERATOR:

Operator Name

By _____
Corporate Officer - Position

Date

Signature

STATE OF _____)
COUNTY OF _____) ss:

On the _____ day of _____, 19 _____, personally
appeared before me _____ who
being by me duly sworn did say that he/she, the said _____
is the _____ of _____
and duly acknowledged that said instrument was signed on behalf of said company
by authority of its bylaws or a resolution of its board of directors and said
_____ duly acknowledged to me that said
company executed the same.

Notary Public
Residing at: _____

My Commission Expires:

SURETY:

Surety Company

By _____
Company Officer - Position

Date

Signature

STATE OF _____)
COUNTY OF _____) ss:

*SURETY SIGN-OFF
(PAGE 8)
NOT NEEDED FOR
BANK ILOC*

On the _____ day of _____, 19 _____, personally
appeared before me _____ who
being by me duly sworn did say that he/she, the said _____
is the _____ of _____
and duly acknowledged that said instrument was signed on behalf of said company
by authority of its bylaws or a resolution of its board of directors and said
_____ duly acknowledged to me that said
company executed the same.

Notary Public
Residing at: _____

My Commission Expires:

NOTE: An affidavit of Qualification must be completed and attached to this
form for each authorized agent or officer. Where one signs by virtue of Power of
Attorney for a company, such Power of Attorney must be filed with this Contract.

ATTACHMENT "A"

Great Salt Lake Minerals

Operator

M/057/002

Permit Number

Little Mountain Plant

Mine Name

Weber

County, Utah

The legal description of lands to be disturbed is:

"EXHIBIT A-1" (DWG. No 800-11-05-020).

"EXHIBIT A-2" (DWG. No. 800-110-05-019), and

"EXHIBIT A-3" (DWG. No. 101-01-05-006, received
September 16, 1991)